Office Memorandum • United States Government

CONFIDENTIAL DATE: January 28, 1949 Director, FBI FROM SAC, Los Angeles 2/3./ SUBJECT! C FOUNDRY ASSOCIATES. INC. NEUTRALITY ACT FRAUD AGAINST THE GOVERNMENT CONSPIRACY Declassified Bureau File 2-875 Authority: 35942 Bγ: Britney Crawford Date: There is herewith enclosed a photostatic copy communication bearing the date December 22, 1948, which was received from the Zone Intelligence Office of the Eleventh Naval District, 626 South Spring Street, Los Angeles, California. The above is furnished for informational purposes. Aug. 7/1/34 ENCLOSURE ATTACKED PNOT ASSURE THE EAST PROPERTY RECORDED - 138 AMSD Enc. (1) BMP:iem 2-86 cc: Newark (2-51) (Inc. 1) ALL INFORMATION COMPANIES HEREIN IS UNCLASSIFIED NACAPI WHERE SHOWN

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---4401 IFI No. COMPLEMENTAL

Transparer 1941

Dist. Intell. Officer, 10ND

TRIB.

(a) 10MD MNI-96 No. 86-48, MIG 1001-400 of 6/24/48.

B-2

PALESTINE - POSSIBLE EXPORT OF AIRCRAFT TO:

AIRCRAFT PRODUCTION (CIVILIAN & MILITARY).

American citizens to be prosecuted by Federal Government for illegal conspiracy in exportation of arms and planes to Palestine.

The following report is based on the substance of an articel appearing in "El Mundo," Spanish language daily newspaper in San Juan. Puerto Rico, dated 17 November 1948.

The article, datelined 16 November 1948 at Miami, Florida, concerned the coming prosecution by Federal authorities of several American citizens accused of conspiracy in the exportation of arms and planes to Palestine via Czechoslovakia.

Among those named as the accused was charles T. WINTERS.
Mentioned in reference (a) as the owner of three B-17's which
stopped over at San Juan. Puerto Rico on 11 June 1948 for purposes
of fueling. WINTERS was charged with planning a flight of three
B-17's from Miami, Florida to Zatec, Czechoslovakia on 11 June
1948, and of accompanying the flight.

Also named was Ervin L. JOHNSON, mentioned in reference (a) as the purchases of the three B-17's, and one C. L. JOHNSON. It was stated in the article that these two names were aliases employed by other members of the group as necessary to meet with their plans.

James PRANE, also mentioned in reference (a) as a co-pilot of one of the R-17's, testified as a government witness before a Federal Grand Jury, giving details of the flight and of the organization. It was due to his testimony that she warrants were issued for the arrest of the others involved.

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DIG-10ND Mono PALESTIN' Ser. 137-48 IFI No. 4404.0300 dtd 11/19/48.

BRANK testified that he had joined the organization in Bakersfield, California, where he had been previously employed as an instructor at the Municipal Airport. He said that after several interviews, he was accepted and was promised one hundred dollars per week while engaged in flying planes to Israel.

We stated that on 11 June 1943, he departed Miami, Florida in a B-17 and was accompanied by two other planes of the same type. That after many difficulties, including the forced landing of one of the planes at sea, they arreived at Zatec. According to BRANE's testimony, the airfield at Zatec was staffed with 27 pilots and mechanics of all nationalities.

The names of the others accused are:

Adolph W. SCHWIMMER, alias A. Allen, of Bridgeport, Connectiout, mentioned as organizer of the SCHWIMMER AVIATION CO., of Burbank, California.

Irwin R. SCHINDLER, charged with piloting a fourth B-17 from New Jersey to Santa Maria, Azores.

Abraham J. LEVIN and Leon GARDNER, both residents of North Bollywood, California, each charged with purchasing and piloting one B-17 feed Tulsa. Cklahoma to Mieni, Florida. These two planes were purchased from a Mr. Donald H. ROBERTS, President of the Universal Aviation Co., Tulsa Oklahoma.

William SOSNOW, alias Lou Gordon, alias "Mr. Leonard," remident of New York.

Michael KANE, resident of California.

Leonard BURNS, resident of San Francisco, California.

Twenty-one others were mentioned in the federal proceedings as accomplices but have not been named or accused. The trial of the accused is acheduled for 24 January 1949 in the Federal District Court. Mismi. Florida.

ND11-322H215C-el/fo Serial 03460

22 Tecember 1946

To: Mr. H. B. Hood, Special Agent in Charge, FBI-LA

The enclosed copy of an intelligence report from the Naval Attache in Puerto Rico, is also forwarded for whatever bearing it may have on investigations concerning Haganah activities.

Very truly years

#. DUWOISIN Officer in Charge

Enclosure

ND11-322H2150-el/fo Serial 03460

COMPLEMENTAL

ZONE INTELLIGENCE OFFICE ELEVENTH NAVAL DISTRICT FIFTH FLOOR 626 SOUTH SPRING STREET



ALC: PROPERTY 1942

Mr. R. B. Hood, Special Agent in Charge Federal Bureau of Investigation Room 900, Security Building 510 South Spring Street Los Angeles 13, California

Dear Mr. Hood:

The following is quoted verbatim from a confidential dispatch from the Chief of Naval Operations, dated 16 December 1948. The information is believed of possible interest to your office, in connection with investigations of procurement and recruiting activities of Hamanah. Related reports are believed in your files under "Foundry Associates"

"REFER CMO 121453Z NOVEMBER X INFO RECEIVED THAT 255 COMBAT PLANES INCLUDING CORSAIRS X BEARCATS HELLDIVERS AND AVENGERS OF WHICH 76 COULD HE MADE OPERABLE AND 236 AIRPLANE ENGINES SOLD BY NAVY AT BARBERS POINT OAHU TH TO ADMIRALTY TRADING COMPANY 122 SOUTH MICHIGAN AVENUE CHICAGO ILLINGIS ON 1 OCTOBER 1948 X CONTRACT CALLED FOR SHIPMENT OF THE AIRPLANES AND ENGINES TO MAINLAND ONLY AND AS SCRAP X THIS SALE CLEANS UP ALL SCRAP NAVY AIRPLANES AND REGINES IN HAWAII X R W BUHNS EDWARD SIENKO AND J P PURDY REFRESENTED ADMIRALTY TRADING COMPANY X REPORTEDLY LURIS BROTHERS INC NOOLWORTH BUILDING NEW YORK WERE INTERESTED IN KNOWING SUCCESSFUL BIDDER X SIMBAR COMPANY 7904 SANTA MONIGA BOULEVARD LOS AMURILES ALSO REQUESTED NAME SUCCESSFUL BIDDER X INDIVIDUALS AND FIRMS HAVE NOT BEEN IDENTIFIED IN THE FILES OF ONL".

Also quoted verbatim below is reference cited in above dispatch. Reference was dated 12 November 1948:

'INFORMATION RECEIVED FROM AIRFORCE THAT ONE E PERMACHE OR BORMACHE IS FRESHNTLY IN FANAMA CITY WHERE HE IS REFRESHNTING HIMSELF AS COLONEL OF ISRAELI FORCES I REPORTEDLY BEHNACHE IS ATTEMPTING TO OBTAIN INFORMATION ON PURCHASE OF AIRFLANE ENGINES ESPECIALLY EMGINES FOR P51 FIGHTERS I HE HAS ALSO MADE INQUIRES ON ROUTE TO GET 40 SURPLUS NAVY HALLDIVERS OUT OF HONOLULU INTO PALESTINE MITHOUT STOFFING TO GET FUEL IN ANY US TERRITORY OR FOSSESSION I REPORTEDLY HE HAS AFPEDACHED AVIATORS IN FANAMA AREA FOR FALESTINE RECRUITING PROGRAM I ALLEGEDLY BEHNACHE HAS HINTED HE IS CONNECTED WITH IAFSA (SERVICE AIRWAYS) AND IS ASSOCIATED WITH FAUL HALFER OF DANCHES INTERPRISES I LEWING SURMERS I ONE LEVITT AND ONE THEADWELL IN NO FURTHER INFORMATION ONE CONCEPTNING PERMACHE".